



Ontario
Automobile
Insurance
Board
Commission de
l'assurance-
automobile
de l'Ontario

| | |
|---------------------|----------------------|
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| North York, Ontario | North York (Ontario) |
| M2N 6L4 | M2N 6L4 |
| (416) 222-2886 | (416) 222-2886 |

January 20, 1989

To: All Chief Executive Officers
of Companies licensed to write
Automobile Insurance in the
Province of Ontario

Dear Sir/Madam:

Subject: Standard Application Form

The Board in its Supplemental Decision with Reasons dated November 2, 1988 (I-88-1A) decided the following:

8.8 The Board has concluded that information required for purposes of the Board Statistical Plan and for purposes of classifying new applicants for insurance and re-classifying existing applicants according to the Board Class Plan should be obtained by means of an application form approved by the Superintendent. Only in this way will applicants for insurance have the additional incentive provided by section 206 of the Insurance Act to supply accurate information.

A new standard application form has been drafted by a committee established by the Superintendent of Insurance of Ontario. This form has been reviewed very recently by the Board and its official release will be completed by the Superintendent.

It has come to the attention of the Board that the use of this standard form for all new and renewal business on or before June 1, 1989 presents significant implementation difficulties. The Board recognizes the immediate need for insurers to be able to start programming systems, training personnel and gathering and processing information in order to comply with the implementation schedule. In view of all of these factors, the Board has reconsidered its decision concerning the use of the standard form for renewal business during the transitional period from the old to the new classification plan. This transitional period is defined as beginning the first day a





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company writes renewal business under the new Board Class Plan (not later than June 1, 1989) and ending December 31, 1989.

The Board emphasizes its earlier decision that companies are required to use the standard form approved by the Superintendent for all new business to be written under the new Board Class Plan which must commence not later than June 1, 1989.

The Board has modified its earlier decision with respect to renewal business only to be written under the new Board Class Plan as stated in the attached "Addendum Varying Supplemental Decision I-88-1A". During the transitional period, the Board will permit companies to use a questionnaire of their own content for renewal business only if companies meet the following criteria:

1. the content of the questionnaire proposed to be used by the company for renewal business is approved by the Board in advance of use; and,
2. if the questionnaire does not include all of the questions in the standard application form, an affidavit in the form attached to this letter, which affidavit states that the company already has available reliable and accessible records containing all of the information from insureds otherwise included in the standard form, is filed with the Board in advance of the use of the questionnaire.

It has been suggested to the Board that some companies may have circulated questionnaires to insureds on or before the date of this letter. These questionnaires should be submitted to the Board immediately with an indication of the date of their first use.

Regarding other information which insurers might require to appraise the risk and process the policy, the Board requires that such information requirements must be filed with the Board. See paragraph 8.12 of the Supplemental Decision I-88-1A:

- 8.12 ... The Board will require that all questions of an underwriting or administrative nature, other than those questions relevant to the Board Class Plan and Board Statistical Plan that form part of the standard portion of the application form, be filed with the Board for its review prior to being sent to insureds.

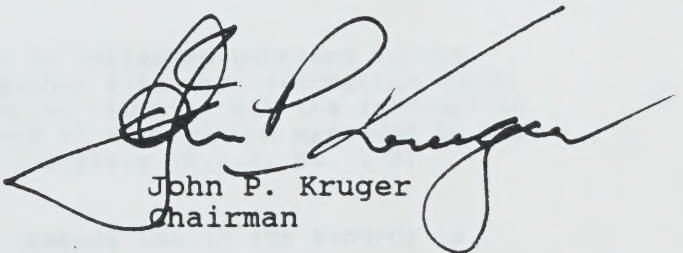
The new standard application form to be issued by the Superintendent of Insurance contains several items of this nature as adopted by the committee. The Board therefore has reviewed those for inclusion in the form. Any other questions of an underwriting or administrative nature must be submitted to the Board.

Further, the Board also requires that each insurer "file with the Board any and all correspondence and/or information provided to insureds with respect to the implementation of the Board Class Plan" (paragraph 7.33 of Decision with Reasons dated August 30, 1988 [I-88-1A]).

Please ensure that all the above Board requirements are being met by your company.

If there are any questions with respect to this matter, please contact Darlene O'Sullivan.

Yours truly,



John P. Kruger
Chairman

JPK:ew
attachment

PROVINCE OF ONTARIO

AFFIDAVIT VERIFYING INFORMATION REQUIREMENTS OF BOARD

I, _____, _____
(State name of officer giving this affidavit) (State office held by person giving this affidavit)

of _____ (the Company)
(State official name of company)

being duly authorized by the Company, make oath and say that:

1. I am the above described officer of the Company and as such have knowledge of the matters that are the subject of this affidavit.
2. This affidavit is made pursuant to the requirement of the Ontario Automobile Insurance Board set out in the Addendum varying Supplemental Decision I-88-1A, dated January 20, 1989.
3. The information which will be collected pursuant to the attached questionnaire together with the information which the Company has in its records contains all the information that is required in the form of application approved by the Ontario Superintendent of Insurance (S.A.F. No. 1-P).
4. The information which the Company has in its records is current, reliable and accessible.

Sworn before me in the)
of in the Province)
of this day)
of , 19) (Signature of officer giving affidavit)

.....
(State whether Commissioner,
Notary Public, etc.)



Industry-Wide Hearing Part 1

Classification System and Data Availability

ADDENDUM VARYING SUPPLEMENTAL DECISION WITH REASONS

IN THE MATTER OF the Ontario Automobile Insurance Board Act, 1988, S.O. 1988, c.18;

AND IN THE MATTER OF an industry-wide hearing by the Ontario Automobile Insurance Board pursuant to section 20 of the said Act.

BEFORE: M. Patricia Richardson
Vice Chair and Presiding Member

John P. Kruger
Chairman

M. Elizabeth Atcheson
Vice Chair

Alvin Field
Member

Frank Marchington
Member

Lorna Ann Milne
Member

January 20, 1989

ADDENDUM VARYING SUPPLEMENTAL DECISION I-88-1A

1. The Ontario Automobile Insurance Board (the Board) called an industry-wide hearing (the Industry-Wide Hearing) under section 20(5) of the Ontario Automobile Insurance Board Act, 1988, S.O. 1988, c.18 (the Act). The Board divided the Industry-Wide Hearing into four parts.
2. The decisions in Part 1 (File No. I-88-1A) established a Board Class Plan: see the Decision dated August 30, 1988 and the Supplemental Decision dated November 2, 1988.
3. In Chapter 8 of Supplemental Decision I-88-1A the Board decided as follows:

8.8 The Board has concluded that information required for purposes of the Board Statistical Plan and for purposes of classifying new applicants for insurance and reclassifying existing applicants according to the Board Class Plan should be obtained by means of an application form approved by the Superintendent. Only in this way will applicants for insurance have the additional incentive provided by section 206 of the Insurance Act to supply accurate information.

8.9 The application form should be designed by the Superintendent's forms committee. The Board emphasizes the need for expedition in the design and approval of the application form in order to enable insurers and brokers to begin the task of programming systems and training personnel to gather and process the additional information. The Board requests that the design and approval process be completed so as to

ensure that a new application form is available by January 1, 1989.

4. The Board is reconsidering its decision (pursuant to section 14(2) of the Act) as noted in paragraph 3 above. It may be impossible for some insurers to use the application form to undertake renewals of existing business at this time. The Board appreciates that there is a heavy burden imposed on insurers to implement the Board Class Plan and Board Statistical Plan in the time available. There is a need to balance the interests of consumers in obtaining renewals and the need for reliable classification and statistical data. The Board further recognizes that not all insurers have the same capacity to implement change in that different insurers use different combinations of automated and manual systems.

Board Decision

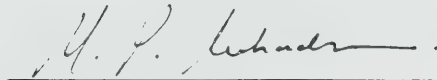
5. The Board varies its decision with respect to the use of the application form for renewal business, as found in paragraph 8.8 of Supplemental Decision I-88-1A as follows:

8.8 The Board has concluded that information required for purposes of the Board Statistical Plan and for purposes of classifying new applicants for insurance and reclassifying existing applicants according to the Board Class Plan should be obtained by means of

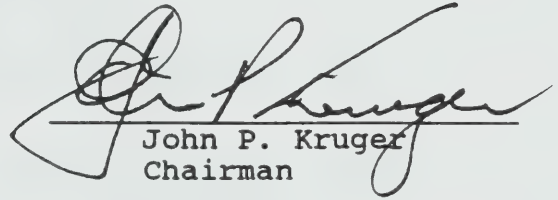
an application form approved by the Superintendent. Only in this way will applicants for insurance have the additional incentive provided by section 206 of the Insurance Act to supply accurate information.

- 8.8a The Board recognizes that some insurers will have difficulty in using the application form for reclassifying existing applicants during the transitional period when insurers will be reclassified from the insurer's current classification system to the Board Class Plan.
- 8.8b Insurers are directed to proceed as follows:
1. Insurers shall use the application form for classifying all new applicants for insurance (new business) according to the Board Class Plan.
 2. Insurers are encouraged to use the application form for reclassifying existing applicants (renewal business) according to the Board Class Plan.
 3. An insurer that opts not to use the application form for renewal business at this time may use a questionnaire of its own design only if it obtains the prior approval of the Board as to the content of the questionnaire.
 4. Prior to the use of the questionnaire, the insurer shall file with the Board an affidavit, signed by an officer of the company, attesting that the information which is not contained on the questionnaire and which constitutes part of the application form is in the possession of the insurer, is readily accessible and reflects the current status of the insured. The affidavit shall be in the form attached to this Addendum as Appendix "A".
 5. Insurers shall use the application form for renewal business as of January 1, 1990.

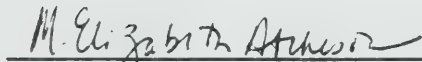
Dated at North York this 20TH day of January, 1989.



M. Patricia Richardson
Vice Chair and
Presiding Member



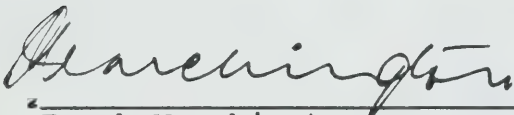
John P. Kruger
Chairman



M. Elizabeth Atcheson
Vice Chair



Alvin Field
Member



Frank Marchington
Member



Lorna Ann Milne
Member

IN THE MATTER OF the Ontario Automobile
Insurance Board Act, 1988, S.O. 1988, c.18

PROVINCE OF ONTARIO

AFFIDAVIT VERIFYING INFORMATION REQUIREMENTS OF BOARD

I, _____,
(State name of officer giving this affidavit) (State office held by person giving this affidavit)

of _____ (the Company)
(State official name of company)

being duly authorized by the Company, make oath and say that:

1. I am the above described officer of the Company and as such have knowledge of the matters that are the subject of this affidavit.
2. This affidavit is made pursuant to the requirement of the Ontario Automobile Insurance Board set out in the Addendum varying Supplemental Decision I-88-1A, dated January 20, 1989.
3. The information which will be collected pursuant to the attached questionnaire together with the information which the Company has in its records contains all the information that is required in the form of application approved by the Ontario Superintendent of Insurance (S.A.F. No. 1-P).
4. The information which the Company has in its records is current, reliable and accessible.

Sworn before me in the)
of in the Province)
of this day)
of , 19) (Signature of officer giving affidavit)

.....
(State whether Commissioner,
Notary Public, etc.)



Ontario
Automobile
Insurance
Board

Commission de
l'assurance-
automobile
de l'Ontario

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File No. I-88-1

IN THE MATTER OF the Ontario Automobile
Insurance Board Act, 1988, S.O. 1988, c.18;

AND IN THE MATTER OF an industry-wide hearing
by the Ontario Automobile Insurance Board
pursuant to Section 20 of the said Act.

BEFORE: John P. Kruger, Chairman)
M. Elizabeth Atcheson, Vice Chair)
M. Patricia Richardson, Vice Chair) February 13, 1989
R. Alvin Field, Member)
Frank Marchington, Member)
Lorna Milne, Member)

RATE ORDER

UPON the Ontario Automobile Insurance Board (the "Board")
having issued a Notice dated July 6, 1988 calling, on its own
motion, an Industry-Wide Hearing under File No. I-88-1, pursuant
to section 20 of the Ontario Automobile Insurance Board Act, 1988
(the "Act");

AND WHEREAS the Board divided the Industry-Wide Hearing into
four parts:

- o the classification system and data availability (File
No. I-88-1A);
- o rate making methodology (File No. I-88-1B);
- o profitability standards (File No. I-88-1C);
- o the rates or ranges of rates (File No. I-88-1D);

AND WHEREAS the Lieutenant Governor in Council made a
regulation under the Act prescribing a classification plan,
Ontario Regulation 406/88:



- (a) prescribing classes of risk exposure and categories of automobile insurance for the purposes of the Act;
- (b) prescribing types of contracts of automobile insurance and types of endorsements to contracts of automobile insurance to which Part II of the Act applies;
- (c) prescribing procedures to be followed in assigning insureds and vehicles to a class of risk exposure; and
- (d) exempting insurers from the requirements of Part II of the Act in respect of such categories of automobile insurance, such coverages or such classes of risk exposure as set out therein;

AND WHEREAS the Board, pursuant to subsection 20(1a) of the Act, having reviewed the classes of risk exposure for different categories of automobile insurance prescribed by Ontario Regulation 406/88 in Part 1 of the Industry-Wide Hearing, released its Decision with Reasons I-88-1A dated August 30, 1988, and its Supplemental Decision with Reasons I-88-1A dated November 2, 1988;

AND WHEREAS the Board, having held a hearing under Part 2 of the Industry-Wide Hearing, released its Decision with Reasons I-88-1B dated October 20, 1988;

AND WHEREAS the Board, having held a hearing under Part 3 of the Industry-Wide Hearing, released its Decision with Reasons I-88-1C dated November 22, 1988;

AND WHEREAS the Board issued a Notice of Hearing dated November 14, 1988 appointing December 12, 1988 as the commencement of Part 4 of the Industry-Wide Hearing;

AND WHEREAS the Board published, pursuant to subsection 20(8), on December 5, 1988 proposed rates and ranges of rates for the classes of risk exposure for the category of automobile insurance Personal Vehicles - Private Passenger Automobiles as prepared by a consultant engaged by the Board;

AND WHEREAS the Board commenced Part 4 of the Industry-Wide Hearing on December 12, 1988, and adjourned that portion of the hearing dealing with rates for the category of automobile insurance Personal Vehicles - Private Passenger Automobiles on January 13, 1988 after receiving written argument and hearing oral argument;

AND WHEREAS the Board, having reconsidered parts of Decision I-88-1A and Supplemental Decision I-88-1A in Part 4 of the

Industry-Wide Hearing, released a Partial Decision with Reasons I-88-1D dated January 20, 1989;

AND WHEREAS the Board may prescribe the classes of risk exposure to be considered in determining premiums for coverages for different categories of automobile insurance and the procedures to be followed in assigning insureds and vehicles to any such class of risk exposure pursuant to subsection 19(1) of the Act, as amended by subsection 19(2), and by order, may make regulations, pursuant to subsection 29(1a) of the Act:

- (a) prescribing classes of risk exposure and categories of automobile insurance for the purposes of the Act;
- (b) prescribing procedures to be followed in assigning insureds and vehicles to a class of risk exposure;
- (c) prescribing types of contracts of insurances and types of endorsements to contracts of automobile insurance to which Part II of the Act applies; and
- (d) exempting insurers from the requirements of Part II of the Act in respect of such categories of automobile insurance, such coverages, or such classes of risk exposure as may be set out in the regulation;

(the "Classification Plan");

AND WHEREAS the Board by an order issued February 1, 1989 made a regulation prescribing the Classification Plan for the category of automobile insurance Personal Vehicles - Private Passenger Automobiles;

AND WHEREAS this regulation has been published in the Ontario Gazette on February 11, 1989;

AND WHEREAS the Board released its Decision with Reasons I-88-1D dated February 10, 1989 wherein it provides for the setting of rates and ranges of rates for the classes of risk exposure for the category of automobile insurance Personal Vehicles - Private Passenger Automobiles;

AND WHEREAS the Board is of the opinion that, based on the evidence heard at the hearing, the benchmark rates and ranges of rates set by the Board in Decision I-88-1D, and set out in this Order, are just and reasonable and not excessive or inadequate;

THE BOARD ORDERS THAT:

1. (1) The benchmark territory base rates for Personal Vehicles - Private Passenger Automobiles by coverage are as set out in Appendix "A" - Table 1 to this Order.

(2) The benchmark rates for other classes of risk exposure for Personal Vehicles - Private Passenger Automobiles by coverage are as set out in Appendix "A" - Tables 2 to 10 to this Order.
2. (1) An insurer shall determine rates for Personal Vehicles - Private Passenger Automobiles in accordance with the rating algorithm found in Appendix "B" to this Order.

(2) The instructions for calculating the rates by coverage for each insured vehicle in the category of automobile insurance Personal Vehicles - Private Passenger Automobiles can be found in Appendix "C" to this Order.
3. (1) Subject to subsection (2) herein, the range of rates set by the Board shall be applied to the benchmark rates for each class of risk exposure (as set out in Appendix "A" to this Order), as follows:
 - (a) to apply separately by coverage and to apply to the expense constant,
 - (b) the upper bound of the range of rates shall be nine percent above the benchmark rates (+9%) and the lower bound of the range of rates shall be twenty percent below the benchmark rates (-20%),
 - (c) these bounds shall apply to the final premium charged to the insured vehicle for each coverage and the expense constant.
(2) The range of rates does not apply to the classes of risk exposure Conviction History and Vehicle Claim History.
4. (1) The rates and ranges of rates set by this Order shall take effect on or before June 1, 1989.

(2) Pursuant to subsection 20(12) of the Act, an insurer may, by notice in writing to the Board, decide that the rates or the ranges of rates set out in this Order take effect with respect to the insurer on a date before June 1, 1989, such date to be set out in the notice and to be at least sixty (60) days after the date of this Order.

5. (1) Each insurer shall:

- (a) make an application under section 22 of the Act within thirty (30) days of this Order in accordance with the instructions found in Appendix "D", and file with the Board the Exhibits of the risk profiles set out in Appendix "E" to this Order with the section 22 application;

- OR -

- (b) make an application under section 23 of the Act.

(2) The Facility Association shall make an application under section 24 of the Act within thirty (30) days of this Order.

ISSUED AT NORTH YORK this 13th day of February, 1989.



S. Coroyannakis
Board Secretary

Ontario Automobile Insurance Board
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M2N 6L4
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distance - French

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**Appendix A to the Order of the
Ontario Automobile Insurance Board
dated February 13, 1989
under File No. I-88-1**

(Tables 1 to 10)

BENCHMARK
TERRITORY BASE RATES

| Territory | Third Party Liability | Accident Benefits | Collision | Compre- hensive | Family Protection (SEF-44) | Expense Constant |
|-----------|-----------------------------|----------------------|-----------|--------------------|----------------------------------|---------------------|
| ===== | ===== | ===== | ===== | ===== | ===== | ===== |
| 1 | \$456 | \$44 | \$158 | \$58 | \$4 | \$42 |
| 2 | 456 | 44 | 158 | 58 | 4 | 42 |
| 3 | 456 | 44 | 158 | 58 | 4 | 42 |
| 4 | 456 | 44 | 158 | 58 | 4 | 42 |
| 5 | 456 | 44 | 158 | 58 | 4 | 42 |
| 6 | 424 | 44 | 152 | 56 | 4 | 42 |
| 7 | 357 | 40 | 133 | 63 | 4 | 42 |
| 8 | 389 | 40 | 142 | 70 | 4 | 42 |
| 9 | 336 | 40 | 134 | 51 | 4 | 42 |
| 10 | 272 | 36 | 137 | 58 | 4 | 42 |
| 11 | 317 | 41 | 119 | 56 | 4 | 42 |
| 12 | 324 | 45 | 131 | 62 | 4 | 42 |
| 13 | 270 | 37 | 119 | 48 | 4 | 42 |
| 14 | 277 | 37 | 126 | 50 | 4 | 42 |
| 15 | 281 | 37 | 125 | 50 | 4 | 42 |
| 16 | 245 | 37 | 112 | 45 | 4 | 42 |
| 17 | 256 | 37 | 114 | 46 | 4 | 42 |
| 18 | 263 | 41 | 138 | 49 | 4 | 42 |
| 19 | 317 | 37 | 132 | 79 | 4 | 42 |
| 20 | 292 | 37 | 133 | 80 | 4 | 42 |
| 21 | 317 | 37 | 133 | 74 | 4 | 42 |
| 22 | 313 | 37 | 135 | 71 | 4 | 42 |
| 23 | 263 | 37 | 163 | 94 | 4 | 42 |
| 24 | 361 | 40 | 144 | 68 | 4 | 42 |
| 25 | 428 | 44 | 153 | 79 | 4 | 42 |
| 26 | 329 | 40 | 125 | 53 | 4 | 42 |
| 27 | 354 | 40 | 130 | 61 | 4 | 42 |
| 28 | 336 | 40 | 114 | 52 | 4 | 42 |
| 29 | 322 | 36 | 127 | 63 | 4 | 42 |
| 30 | 292 | 37 | 112 | 52 | 4 | 42 |
| 31 | 241 | 37 | 118 | 48 | 4 | 42 |
| 32 | 259 | 37 | 128 | 48 | 4 | 42 |

BENCHMARK
INCREASED COVERAGE LIMIT FACTORS
=====

1. Third Party Liability

| Limit of Liability ===== | Limit Factor ===== |
|-----------------------------------|--------------------------|
| \$200,000 | 1.00 |
| \$300,000 | 1.04 |
| \$500,000 | 1.11 |
| \$1,000,000 | 1.22 |
| \$2,000,000 | 1.36 |

2. Family Protection (SEF - 44)

| Limit of Liability ===== | Limit Factor ===== |
|-----------------------------------|--------------------------|
| \$200,000 | 1.00 |
| \$300,000 | 1.18 |
| \$500,000 | 1.64 |
| \$1,000,000 | 4.70 |
| \$2,000,000 | 10.07 |

BENCHMARK
VEHICLE USE
AND
ANNUAL DRIVING DISTANCE FACTORS
=====

| Vehicle Use ===== | Annual Driving Distance ===== | Third Party Liability Factor ===== | Accident Benefits Factor ===== | Collision Factor ===== |
|-------------------------|--|--|---|------------------------------|
| Pleasure | Under 16,001 km | 0.90 | 0.90 | 0.90 |
| | 16,001-32,000 km | 1.00 | 1.00 | 1.00 |
| | Over 32,000 km | 1.10 | 1.10 | 1.10 |
| Commute | Under 16,001 km | 1.00 | 1.00 | 1.05 |
| | 16,001-32,000 km | 1.05 | 1.05 | 1.10 |
| | Over 32,000 km | 1.10 | 1.10 | 1.15 |
| Business | Under 16,001 km | 1.10 | 1.10 | 1.35 |
| | 16,001-32,000 km | 1.10 | 1.10 | 1.35 |
| | Over 32,000 km | 1.10 | 1.10 | 1.35 |
| Farm | Under 16,001 km | 0.70 | 0.70 | 0.70 |
| | 16,001-32,000 km | 0.70 | 0.70 | 0.70 |
| | Over 32,000 km | 0.70 | 0.70 | 0.70 |

BENCHMARK
YEARS LICENSED
DRIVER EXPERIENCE FACTORS
=====

Section A: Principal Driver HAS driver training
===

| Principal Driver No. of Years Licenced ===== | Secondary Driver, Number of Years Licenced | | | | | | Over 6 Years or no other driver ===== |
|--|--|-------|--------------------------|-------|-------------------------------|-------|---|
| | Under 1 Year | | 1 yr. through 3 years | | Over 3 yrs. through 6 yrs. | | |
| | ===== | | ===== | | ===== | | |
| | No D/T | D/T | No D/T | D/T | No D/T | D/T | |
| | ----- | ----- | ----- | ----- | ----- | ----- | |
| Under 1 Year | 2.80 | 2.80 | 2.80 | 2.80 | 2.80 | 2.80 | 2.80 |
| 1 year through 3 years | 2.50 | 2.50 | 2.50 | 2.50 | 2.50 | 2.50 | 2.50 |
| Over 3 years through 6 yrs. | 2.20 | 2.05 | 2.05 | 1.95 | 1.70 | 1.70 | 1.50 |
| Over 6 years | 1.70 | 1.55 | 1.55 | 1.45 | 1.20 | 1.20 | 1.00 |

Section B: Principal Driver DOES NOT HAVE driver training
=====

| Principal Driver No. of Years Licenced ===== | Secondary Driver, Number of Years Licenced | | | | | | Over 6 Years or no other driver ===== |
|--|--|-------|--------------------------|-------|-------------------------------|-------|---|
| | Under 1 Year | | 1 yr. through 3 years | | Over 3 yrs. through 6 yrs. | | |
| | ===== | | ===== | | ===== | | |
| | No D/T | D/T | No D/T | D/T | No D/T | D/T | |
| | ----- | ----- | ----- | ----- | ----- | ----- | |
| Under 1 Year | 3.50 | 3.50 | 3.50 | 3.50 | 3.50 | 3.50 | 3.50 |
| 1 year through 3 years | 2.80 | 2.80 | 2.80 | 2.80 | 2.80 | 2.80 | 2.80 |
| Over 3 years through 6 yrs. | 2.20 | 2.05 | 2.05 | 1.95 | 1.70 | 1.70 | 1.50 |
| Over 6 years | 1.70 | 1.55 | 1.55 | 1.45 | 1.20 | 1.20 | 1.00 |

Note: Applies to Third Party Liability, Accident Benefits & Collision

APPENDIX A
TABLE 5

BENCHMARK
VEHICLE RATE GROUP FACTORS
=====

| Rate Group ===== | Factor ===== | Rate Group ===== | Factor ===== | Rate Group ===== | Factor ===== | Rate Group ===== | Factor ===== |
|------------------------|-----------------|------------------------|-----------------|------------------------|-----------------|------------------------|-----------------|
| 1 | 0.050 | 26 | 1.300 | 51 | 3.075 | 76 | 6.350 |
| 2 | 0.100 | 27 | 1.350 | 52 | 3.175 | 77 | 6.500 |
| 3 | 0.150 | 28 | 1.400 | 53 | 3.275 | 78 | 6.650 |
| 4 | 0.200 | 29 | 1.450 | 54 | 3.375 | 79 | 6.800 |
| 5 | 0.250 | 30 | 1.500 | 55 | 3.475 | 80 | 6.950 |
| 6 | 0.300 | 31 | 1.550 | 56 | 3.575 | 81 | 7.125 |
| 7 | 0.350 | 32 | 1.600 | 57 | 3.675 | 82 | 7.325 |
| 8 | 0.400 | 33 | 1.650 | 58 | 3.775 | 83 | 7.525 |
| 9 | 0.450 | 34 | 1.700 | 59 | 3.875 | 84 | 7.725 |
| 10 | 0.500 | 35 | 1.750 | 60 | 3.975 | 85 | 7.925 |
| 11 | 0.550 | 36 | 1.800 | 61 | 4.100 | 86 | 8.125 |
| 12 | 0.600 | 37 | 1.850 | 62 | 4.250 | 87 | 8.325 |
| 13 | 0.650 | 38 | 1.900 | 63 | 4.400 | 88 | 8.525 |
| 14 | 0.700 | 39 | 1.950 | 64 | 4.550 | 89 | 8.725 |
| 15 | 0.750 | 40 | 2.000 | 65 | 4.700 | 90 | 8.925 |
| 16 | 0.800 | 41 | 2.075 | 66 | 4.850 | 91 | 9.125 |
| 17 | 0.850 | 42 | 2.175 | 67 | 5.000 | 92 | 9.325 |
| 18 | 0.900 | 43 | 2.275 | 68 | 5.150 | 93 | 9.525 |
| 19 | 0.950 | 44 | 2.375 | 69 | 5.300 | 94 | 9.725 |
| 20 | 1.000 | 45 | 2.475 | 70 | 5.450 | 95 | 9.925 |
| 21 | 1.050 | 46 | 2.575 | 71 | 5.600 | 96 | 10.125 |
| 22 | 1.100 | 47 | 2.675 | 72 | 5.750 | 97 | 10.325 |
| 23 | 1.150 | 48 | 2.775 | 73 | 5.900 | 98 | 10.525 |
| 24 | 1.200 | 49 | 2.875 | 74 | 6.050 | 99 | 10.725 |
| 25 | 1.250 | 50 | 2.975 | 75 | 6.200 | 100 | 10.925 |

Note: Applies to Collision and Comprehensive.

APPENDIX A
TABLE 6

BENCHMARK
NUMBER OF VEHICLES FACTOR
=====

| Number of Vehicles ===== | Vehicle Factor ===== |
|-----------------------------------|----------------------------|
| 1 | 1.00 |
| 2 or more | .90 |

Note: Applies to Third Party Liability and Collision

APPENDIX A
TABLE 7

BENCHMARK
ABSTINENCE FACTORS
=====

| Status ===== | Abstinence Factor ===== |
|-----------------|-------------------------------|
| Non-abstainer | 1.00 |
| Abstainer | .95 |

Note: Applies to Third Party Liability, Accident Benefits & Collision

BENCHMARK
COVERAGE DEDUCTIBLE FACTORS
=====

1. Collision

| Deductible ===== | Factor ===== | Maximum ===== |
|---------------------|-----------------|------------------|
| \$100 | +.09 | \$60 |
| 250 | 0 | -- |
| 500 | -.11 | 100 |
| 1000 | -.30 | 200 |
| 1500 | -.35 | 300 |
| 2000 | -.40 | 400 |
| 2500 | -.45 | 500 |

2. Comprehensive

| Deductible ===== | Factor ===== | Maximum ===== |
|---------------------|-----------------|------------------|
| \$25 | +.06 | \$25 |
| 50 | 0 | -- |
| 100 | -.08 | 25 |
| 250 | -.25 | 60 |
| 500 | -.32 | 100 |
| 1000 | -.40 | 150 |
| 1500 | -.45 | 200 |
| 2000 | -.48 | 250 |
| 2500 | -.50 | 300 |

BENCHMARK
CONVICTION HISTORY SURCHARGES
=====

| Coverage ===== | Surcharge per Chargeable Conviction ----- | | |
|--------------------------|--|------------------------------|------------------------------|
| | Serious Conviction ===== | Major Conviction ===== | Minor Conviction ===== |
| 1. Third Party Liability | \$320 | \$95 | \$65 |
| 2. Accident Benefits | 35 | 10 | 5 |
| 3. Collision | 115 | 35 | 25 |

BENCHMARK
VEHICLE CLAIM HISTORY SURCHARGES

1. Third Party Liability

| No. of Years Since Last Chargeable Claim | No. of Claims in Experience Period | | | | Surcharge per Additional Claim |
|---|------------------------------------|-----|------|------|---|
| | 1 | 2 | 3 | 4 | |
| 6 or more | \$0 | \$0 | \$0 | \$0 | \$0 |
| 5 | 25 | 50 | 75 | 100 | 25 |
| 4 | 50 | 100 | 150 | 200 | 50 |
| 3 | 75 | 180 | 285 | 390 | 105 |
| 2 | 100 | 305 | 510 | 715 | 205 |
| 1 | 125 | 435 | 745 | 1055 | 310 |
| 0 | 155 | 670 | 1185 | 1700 | 515 |

2. Accident Benefits

| No. of Years Since Last Chargeable Claim | No. of Claims in Experience Period | | | | Surcharge per Additional Claim |
|---|------------------------------------|-----|-----|-----|---|
| | 1 | 2 | 3 | 4 | |
| 6 or more | \$0 | \$0 | \$0 | \$0 | \$0 |
| 5 | 4 | 7 | 10 | 13 | 3 |
| 4 | 6 | 11 | 16 | 21 | 5 |
| 3 | 8 | 18 | 28 | 38 | 10 |
| 2 | 10 | 30 | 50 | 70 | 20 |
| 1 | 12 | 42 | 72 | 102 | 30 |
| 0 | 15 | 65 | 115 | 165 | 50 |

3. Collision

| No. of Years Since Last Chargeable Claim | No. of Claims in Experience Period | | | | Surcharge per Additional Claim |
|---|------------------------------------|-----|-----|-----|---|
| | 1 | 2 | 3 | 4 | |
| 6 or more | \$0 | \$0 | \$0 | \$0 | \$0 |
| 5 | 5 | 20 | 35 | 50 | 15 |
| 4 | 15 | 40 | 65 | 90 | 25 |
| 3 | 25 | 65 | 105 | 145 | 40 |
| 2 | 35 | 110 | 185 | 260 | 75 |
| 1 | 45 | 155 | 265 | 375 | 110 |
| 0 | 60 | 245 | 430 | 615 | 185 |

Appendix B to the Order of the
Ontario Automobile Insurance Board
dated February 13, 1989 under
File No. I-88-1

RATING ALGORITHM

1. DEFINITIONS

BR(t) = Territory base rate
ILF(l) = Increased coverage limit factor
CV(u) = Classification variable, vehicle use
 and annual driving distance
CV(e) = Classification variable, years licensed -
 driver experience
CV(a) = Classification variable, abstinence
CV(n) = Classification variable, number of vehicles
CV(v) = Classification variable, vehicle rate group
VC = Surcharge, conviction history
AC = Surcharge, vehicle claim history
DC(d) = Coverage deductible factor
EC = Expense constant

2. ALGORITHM

- a. **Third Party Liability Premium**, begin with the \$200,000 coverage limit territory base rate and calculate:

$$\{ [BR(t) * ILF(l) * CV(u) * CV(e) * CV(a) * CV(n)] + VC + AC \}$$

and add to:

- b. **Accident Benefits Premium**, begin with the territory base rate and calculate:

$$\{ [BR(t) * CV(u) * CV(e) * CV(a)] + VC + AC \}$$

and add to:

- c. **Collision Premium**, begin with the \$250 coverage deductible territory base rate and calculate:

$$\{ [BR(t) * CV(u) * CV(e) * CV(a) * CV(n) * CV(v)] + VC + AC \} +$$

$$\{ [BR(t) * CV(u) * CV(e) * CV(a) * CV(n) * CV(v)] * DC(d) \}$$

where $\{ [BR(t) * CV(u) * CV(e) * CV(a) * CV(n) * CV(v)] * DC(d) \}$

is subject to a dollar maximum, and add to:

- d. **Comprehensive Premium**, begin with the \$50 coverage deductible territory base rate and calculate:

$$\{ [BR(t) * CV(v)] \} + \{ [BR(t) * CV(v)] * DC(d) \}$$

where $\{ [BR(t) * CV(v)] * DC(d) \}$

is subject to a dollar maximum, then add to:

- e. **Family Protection Premium (SEF - 44)**, begin with the \$200,000 coverage limit territory base rate and calculate:

$$\{ BR(t) * ILF(1) \}$$

and add to:

- g. **Expense constant**

EC

3. If all perils coverage is purchased instead of comprehensive and collision, rate the risk the same as for comprehensive and collision separately and add the final premiums.

4. If specified perils coverage is purchased, replace the comprehensive premium algorithm with:

$$\{ [BR(t) * (.45) * CV(v)] \} + \{ [BR(t) * (.45) * CV(v)] * DC(d) \}$$

where $\{ [BR(t) * (.45) * CV(v)] * DC(d) \}$

is subject to a dollar maximum.

5. **Rounding** is to two decimal places after the application of each rating factor. The final premium is rounded to a whole dollar after each coverage premium is calculated.
6. Six month policy premiums are calculated by multiplying the final premiums by .50 for each coverage.

Appendix C to the Order of the
Ontario Automobile Insurance Board
dated February 13, 1989
under File No. I-88-1

The following text outlines the rating algorithm in words. With the Classification Plan (as published in the Ontario Gazette on February 11, 1989) and with Appendix A - Tables 1 to 10 as references, this text provides the insurer with instructions for rating each coverage for each insured vehicle.

Each coverage is rated separately for each vehicle. Even if there is more than one vehicle in the household, each must be rated separately according to the steps outlined in the following pages.

A. Third Party Liability Premium

- o Determine the appropriate territory classification number for the vehicle from the Classification Plan. _____
- o Table 1 - Find the third party liability benchmark base rate for the territory. Enter the rate on line (1) -----> (1) _____
- o Table 2 - Find the factor for third party liability that applies to the limit of liability purchased for the vehicle. Enter the factor on line (2) -----> (2) _____
- o Multiply line (1) by line (2), round to the nearest cent. Enter the result on line (3) -----> (3) _____
- o Table 3 - Find the factor for third party liability that applies to the vehicle use and annual driving distance for the vehicle. Enter the factor on line (4) -----> (4) _____
- o Multiply line (3) by line (4), round to the nearest cent. Enter the result on line (5) -----> (5) _____
- o Table 4 - Use Section A if the principal driver HAS driver training. Use Section B if the principal driver DOES NOT HAVE driver training.

Find the experience category for the principal driver among the selections listed in the first column.

Go to the column headings to find the experience category for the secondary driver from among the categories listed across the top. "D/T" means "driver training" and "No D/T" means "no driver training".

Find the factor for the combination of principal and secondary driver experience. If there is no secondary driver, use the column marked "Over 6 years or no other driver". Enter the factor on line (6) ----->

(6) _____

- o Multiply line (5) by line (6), round to the nearest cent. Enter the result on line (7) ----->

(7) _____

- o Skip Table 5.

- o Table 6 - Find the factor that applies to the number of insured vehicles in the household. Enter the factor on line (8) ----->

(8) _____

- o Multiply line (7) by line (8), round to the nearest cent. Enter the result on line (9) ----->

(9) _____

- o Table 7 - Find the factor that applies to abstinence status. Enter the factor on line (10) ----->

(10) _____

- o Multiply line (9) by line (10), round to the nearest cent. Enter the result on line (11) ----->

(11) _____

- o Skip Table 8

- o Refer to the Classification Plan for the definition of and rules applicable to chargeable serious convictions. Determine the number of serious convictions charged to the vehicle in the last three years. Enter the number on line (12) ----->

(12) _____

- o Table 9 - Find the serious conviction surcharge amount for third party liability. Enter the amount on line (13) ----->

(13) _____

- Multiply line (12) by line (13). Enter the result on line (14) -----> (14) _____
- Refer to the Classification Plan for the definition of and rules applicable to chargeable major convictions. Determine the number of major convictions charged to the vehicle in the last three years. Enter the number on line (15) -----> (15) _____
- Table 9 - Find the major conviction surcharge amount for third party liability. Enter the amount on line (16) -----> (16) _____
- Multiply line (15) by line (16). Enter the result on line (17) -----> (17) _____
- Refer to the Classification Plan for the definition of and rules applicable to chargeable minor convictions. Determine the number of minor convictions charged to the vehicle in the last three years. Enter the number on line (18) -----> (18) _____
- Table 9 - Find the minor conviction surcharge amount for third party liability. Enter the amount on line (19) -----> (19) _____
- Multiply line (18) by line (19). Enter the result on line (20) -----> (20) _____
- Add lines (14), (17), and (20). Enter the result on line (21) -----> (21) _____
- Refer to the Classification Plan for the definition of and rules applicable to chargeable vehicle claims for third party liability. Determine the number of claims charged to the vehicle in the last 6 years for third party liability. Enter the number on line (22) -----> (22) _____

- o Table 10 - Find the surcharge applicable to third party liability for the number of chargeable claims on line (22) and the number of years since the most recent chargeable claim. Enter this number on line (23). If there are no chargeable claims in the last 6 years or since the driver has been licensed, enter "0" on line (23) ----->

(23) _____

- o Add lines (11), (21) and (23), round to the nearest whole dollar amount. This is the final premium for third party liability. Enter figure on line (24) ----->

(24) _____

B. Accident Benefits Premium

- o Table 1 - Find the accident benefits benchmark base rate for the territory.
Enter the rate on line (25) -----> (25) _____
- o Skip Table 2.
- o Table 3 - Find the factor for accident benefits that applies to the vehicle use and annual driving distance for the vehicle.
Enter the factor on line (26) -----> (26) _____
- o Multiply line (25) by line (26), round to the nearest cent. Enter the result on line (27) -----> (27) _____
- o Table 4 - Use the same factor from line (6).
Enter the factor on line (28) -----> (28) _____
- o Multiply line (27) by line (28), round to the nearest cent. Enter the result on line (29) -----> (29) _____
- o Skip Tables 5 and 6.
- o Table 7 - Use the same factor from line (10).
Enter the factor on line (30) -----> (30) _____
- o Multiply line (29) by line (30), round to the nearest cent. Enter the result on line (31) -----> (31) _____
- o Skip Table 8
- o Use the same number of serious convictions from line (12). Enter the number on line (32) -----> (32) _____

- o Table 9 - Find the serious conviction surcharge amount for accident benefits. Enter the amount on line (33) -----> (33) _____
- o Multiply line (32) by line (33). Enter the result on line (34) -----> (34) _____
- o Use the same number of major convictions from line (15). Enter the number on line (35) -----> (35) _____
- o Table 9 - Find the major conviction surcharge amount for accident benefits. Enter the amount on line (36) -----> (36) _____
- o Multiply line (35) by line (36). Enter the result on line (37) -----> (37) _____
- o Use the same number of minor convictions from line (18). Enter the number on line (38) -----> (38) _____
- o Table 9 - Find the minor conviction surcharge amount for accident benefits. Enter the amount on line (39) -----> (39) _____
- o Multiply line (38) by line (39). Enter the result on line (40) -----> (40) _____
- o Add lines (34), (37) and (40). Enter the result on line (41) -----> (41) _____
- o Refer to the Classification Plan for the definition of and rules applicable to chargeable vehicle claims for accident benefits. Determine the number of claims charged to the vehicle in the last 6 years for accident benefits. Enter the number on line (42) -----> (42) _____

- o Table 10 - Find the surcharge applicable to accident benefits for the number of claims on line (42) and the number of years since the most recent chargeable claim. Enter the number on line (43). If there are no chargeable claims in the last 6 years or since the driver has been licensed, enter "0" on line (43) ----->

(43) _____

- o Add lines (31), (41) and (43), round to the nearest whole dollar amount. This is the final premium for accident benefits. Enter figure on line (44) ----->

(44) _____

C. Collision Premium

- o If collision coverage is not purchased, enter "0" on line (72) and proceed to Part D. Otherwise, continue with the next step.
- o Table 1 - Find the collision benchmark base rate for the territory. Enter the rate on line (45) -----> (45) _____
- o Skip Table 2.
- o Table 3 - Find the factor for collision that applies to the vehicle use and annual driving distance for the vehicle. Enter the factor on line (46) -----> (46) _____
- o Multiply line (45) by line (46), round to the nearest cent. Enter the result on line (47) -----> (47) _____
- o Table 4 - Use the same factor from line (6). Enter the factor on line (48) -----> (48) _____
- o Multiply line (47) by line (48), round to the nearest cent. Enter the result on line (49) -----> (49) _____
- o Refer to the Classification Plan to determine the vehicle rate group number associated with the vehicle. _____
- o Table 5 - Find the factor for the rate group determined in the above step. Enter the factor on line (50) -----> (50) _____
- o Multiply line (49) by line (50), round to the nearest cent. Enter the result on line (51) -----> (51) _____

- o Table 6 - Find the factor that applies to the number of vehicles with collision coverage in the household. Enter the factor on line (52) -----> (52) _____
- o Multiply line (51) by line (52), round to the nearest cent. Enter the result on line (53) -----> (53) _____
- o Table 7 - Use the same factor from line (10). Enter the factor on line (54) -----> (54) _____
- o Multiply (53) by line (54), round to the nearest cent. Enter the result on line (55) -----> (55) _____
- o Table 8 - Find the factor applicable to coverage deductible purchased for collision. Enter the factor, including the minus sign if there is one, on line (56) -----> (56) _____
- o Multiply line (55) by line (56), round to the nearest cent. Enter the result on line (57). If line (56) had a minus sign, enter the result with the minus sign on line (57) -----> (57) _____
- o Compare the figure in line (57) with the number in the column labelled "maximum" in Table 8 for the applicable deductible. If the maximum is less than the number on line (57) in absolute terms, enter the maximum on line (58). If the maximum is greater than the amount on line (57), enter the amount from line (57) retaining the minus sign, if there is one, on line (58) -----> (58) _____
- o Add line (55) to line (58). If line (58) has a minus sign, then subtract the absolute amount on line (58) from line (55). Enter result on line (59) -----> (59) _____

- o Use the same number of serious convictions from line (12). Enter the number on line (60) -----> (60) _____
- o Table 9 - Find the serious conviction surcharge amount for collision. Enter the amount on line (61) -----> (61) _____
- o Multiply line (60) by line (61). Enter the result on line (62) -----> (62) _____
- o Use the same number of major convictions from line (15). Enter the number on line (63) -----> (63) _____
- o Table 9 - Find the major conviction surcharge amount for collision. Enter the amount on line (64) -----> (64) _____
- o Multiply line (63) by line (64). Enter the result on line (65) -----> (65) _____
- o Use the same number of minor convictions from line (18). Enter the number on line (66) -----> (66) _____
- o Table 9 - Find the minor conviction surcharge amount for collision. Enter the amount on line (67) -----> (67) _____
- o Multiply line (66) by line (67). Enter the result on line (68) -----> (68) _____
- o Add lines (62), (65), and (68). Enter the result on line (69) -----> (69) _____
- o Refer to the Classification Plan for the definition of and rules applicable to chargeable vehicle claim for collision. Determine the number of claims charged to the vehicle in the last 6 years for collision. Enter the number on line (70) -----> (70) _____

- o Table 10 - Find the surcharge applicable to collision for the number of chargeable claims on line (70) and the number of years since the most recent chargeable claim for collision. Enter the number on line (71). If there are no chargeable claims in the last 6 years or since the driver has been licensed, enter "0" on line (71) ----->

(71) _____

- o Add lines (59), (69) and (71), round to the nearest whole dollar amount. This is the final premium for collision. Enter this figure on line (72) ----->

(72) _____

D. Comprehensive Premium

- o If comprehensive coverage is not purchased, enter "0" on line (79) and proceed to Part E. Otherwise, continue with the next step.
- o Table 1 - Find the comprehensive benchmark base rate for the territory. Enter the rate on line (73) -----> (73) _____
- o Skip Tables 2, 3, and 4.
- o Table 5 - Use the same factor from line (50). Enter the factor on line (74) -----> (74) _____
- o Multiply line (73) by line (74), round to the nearest cent. Enter the result on line (75) -----> (75) _____
- o Skip Tables 6 and 7.
- o Table 8 - Find the factor applicable to coverage deductible purchased for comprehensive. Enter the factor, including the minus sign if there is one, on line (76) -----> (76) _____
- o Multiply line (75) by line (76), round to the nearest cent. Enter the result on line (77). If line (76) had a minus sign, enter the result with the minus sign on line (77) -----> (77) _____
- o Compare the figure in line (77) with the number in the column labelled "maximum" in Table 8 for the applicable deductible. If the maximum is less than the number on line (77) in absolute terms, enter the maximum on line (78). If the maximum is greater than the amount on line (77), enter the figure from line (77) retaining the minus sign, if there is one, on line (78) -----> (78) _____

- o Add line (75) to line (78). If line (78) has a minus sign, then subtract the absolute amount on line (78) from line (75), round to the nearest whole dollar. **This is the final premium for comprehensive.** Enter the figure on line (79) ----->

(79) _____

E. Family Protection (SEF - 44) Premium

- o If family protection is not purchased, enter "0" on line (82), and proceed to Part F. Otherwise, continue with the next step.

- o Table 1 - Find the family protection benchmark base rate. Enter the rate on line (80) -----> (80) _____

- o Table 2 - Find the factor for family protection that applies to the limit of liability purchased for the vehicle. Enter the factor on line (81) -----> (81) _____

- o Multiply line (80) by line (81), round to the nearest whole dollar. This is the final premium for family protection. Enter the amount on line (82) -----> (82) _____

F. All Perils Premium

- o If all perils premium is not purchased, enter "0" on line (83), and proceed to Part G. Otherwise, continue with the next step.

- o Follow the same steps for collision and for comprehensive, as outlined in Parts (C) and (D), above. Add the two final premiums together from lines (72) and (79). This is the final premium for all perils. Enter the amount on line (83) ----->

(83) _____

G. Specified Perils Premium

- o If specified perils coverage is not purchased, enter "0" on line (86), and proceed to Part H. Otherwise, continue with the next step.

- o Table 1 - Find the comprehensive benchmark base rate for the territory. Enter the rate on line (84) -----> (84) _____

- o Multiply line (84) by .45, round to the nearest cent. Enter the result on line (85) -----> (85) _____

- o Follow the same steps as outlined for comprehensive, starting at line (74) and continuing through line (79). Enter that figure on line (86) -----> (86) _____

H. Expense Constant

- o Table 1 - Find the benchmark expense constant rate. Enter the amount on line (87) ----->

(87) _____

I. FINAL VEHICLE PREMIUM

- o Use the final third party liability premium from line (24). Enter the amount on line (88) -----> (88) _____
- o Use the final accident benefits premium from line (44). Enter the amount on line (89) -----> (89) _____
- o If collision coverage is purchased, use the final premium from line (72). Enter the amount on line (90). If collision is not purchased, enter "0" on line (90) -----> (90) _____
- o If comprehensive coverage is purchased, use the final premium from line (79). Enter the amount on line (91). If comprehensive is not purchased, enter "0" on line (91) -----> (91) _____
- o If family protection is purchased, use the final premium from line (82). Enter the amount on line (92). If family protection is not purchased, enter "0" on line (92) -----> (92) _____
- o If all perils coverage is purchased, use the final premium from line (83). Enter the amount on line (93). If all perils coverage is not purchased, enter "0" on line (93) -----> (93) _____
- o If specified perils coverage is purchased, use the final premium from line (86). Enter the amount on line (94). If specified perils coverage is not purchased, enter "0" on line (94) -----> (94) _____
- o Use the expense constant premium from line (87). Enter the amount on line (95) -----> (95) _____
- o Add lines (88) through (95). This is the final premium for the vehicle. Enter the amount on line (96) -----> (96) _____

Appendix D to the Order of the
Ontario Automobile Insurance Board
dated February 13, 1989 under
File No. I-88-1

- . Where an insurer elects to operate within the Board's range of rates, pursuant to section 22 of the Act, it shall file its proposed rates according to the guidelines outlined below.

- . Tables 1-R through 1-8 are attached.

Situation A

If the insurer elects to operate at the benchmark rates for all classes of risk exposure, the insurer shall submit to the Board a statutory declaration signed by an officer of the insurer:

- (1) declaring that the actual rates to be charged by the insurer are the same as the benchmark rates;
and
- (2) appending a complete copy of actual rate pages.

Situation B

If the insurer elects to operate at a percentage above or below the benchmark territory base rates only (i.e., all of the other classification factors are equal to the benchmark factors), the insurer shall submit to the Board a statutory declaration signed by an officer of the insurer:

- (1) declaring that the actual rates to be charged by the insurer are those contained in the rate pages;
- (2) declaring that the territory base rates are within the permissible range of rates set by the Board;
- (3) providing an estimate of the average percentage difference between the benchmark rates and the insurer's selected rates;
- (4) appending a copy of Table 1-R only. Table 1-R is to contain the insurer's selected base rates for each territory in the column labelled "rate". The percentage which that rate is above (+) or below (-) the benchmark territory base rate for that territory is contained in the column labelled "%"; and
- (5) appending a complete copy of actual rate pages.

Situation C

If the insurer elects to operate at rates which vary (1) by both territory base rates and other classification factors, or (2) by other classification factors only, the insurer shall submit to the Board a statutory declaration signed by an officer of the insurer:

- (1) declaring that the actual rates to be charged by the insurer are those contained in the rate pages;
- (2) declaring that all such rates are within the permissible range of rates set by the Board;
- (3) providing an estimate of the average percentage difference between the benchmark rates and the insurer's selected rates.
- (4) appending a copy of Tables 1-R through 8-R:
 - (a) Table 1-R is to contain the insurer's selected base rates for each territory in the column labelled "rate". The percentage which that rate is above (+) or below (-) the benchmark territory base rate for that territory is contained in the column labelled "%";
 - (b) Tables 2-R through 8-R are to contain the insurer's selected rating factors for each class of risk exposure in the column labelled "factor". The percentage which the factors are above (+) or below (-) the benchmark factors for the classes of risk exposure is contained in the column labelled "%"; and
- (5) appending a complete copy of actual rate pages.

Company Name: _____

APPENDIX D
TABLE 1-R
Territory Base Rates

| Territory ===== | Third Party Liability ===== | | Accident Benefits ===== | | Collision ===== | | Compre- hensive ===== | | Family Protection (SEF - 44) ===== | | Expense Constant ===== | |
|--------------------|--------------------------------------|---|-------------------------------|---|--------------------|---|-----------------------------|---|---|---|------------------------------|---|
| | Rate | % | Rate | % | Rate | % | Rate | % | Rate | % | Rate | % |
| 1 | | | | | | | | | | | | |
| 2 | | | | | | | | | | | | |
| 3 | | | | | | | | | | | | |
| 4 | | | | | | | | | | | | |
| 5 | | | | | | | | | | | | |
| 6 | | | | | | | | | | | | |
| 7 | | | | | | | | | | | | |
| 8 | | | | | | | | | | | | |
| 9 | | | | | | | | | | | | |
| 10 | | | | | | | | | | | | |
| 11 | | | | | | | | | | | | |
| 12 | | | | | | | | | | | | |
| 13 | | | | | | | | | | | | |
| 14 | | | | | | | | | | | | |
| 15 | | | | | | | | | | | | |
| 16 | | | | | | | | | | | | |
| 17 | | | | | | | | | | | | |
| 18 | | | | | | | | | | | | |
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| 24 | | | | | | | | | | | | |
| 25 | | | | | | | | | | | | |
| 26 | | | | | | | | | | | | |
| 27 | | | | | | | | | | | | |
| 28 | | | | | | | | | | | | |
| 29 | | | | | | | | | | | | |
| 30 | | | | | | | | | | | | |
| 31 | | | | | | | | | | | | |
| 32 | | | | | | | | | | | | |

Note: The base rates are those intended to be utilized by the company. The percentage is the difference up (down) from the benchmark rates.

SEF-44 & Expense Constant MUST be the same for all territories.

Company Name: _____

APPENDIX D
TABLE 2-R
INCREASED COVERAGE LIMIT FACTORS

1. Third Party Liability

| Limit of Liability ===== | Limit Factor ===== | % ===== |
|-----------------------------------|--------------------------|------------|
| \$200,000 | | |
| \$300,000 | | |
| \$500,000 | | |
| \$1,000,000 | | |
| \$2,000,000 | | |

2. Family Protection (SEF - 44)

| Limit of Liability ===== | Limit Factor ===== | % ===== |
|-----------------------------------|--------------------------|------------|
| \$200,000 | | |
| \$300,000 | | |
| \$500,000 | | |
| \$1,000,000 | | |
| \$2,000,000 | | |

Company Name: _____

APPENDIX D
TABLE 3-R
VEHICLE USE AND
ANNUAL DRIVING DISTANCE FACTORS

| Vehicle Use ===== | Annual Driving Distance ===== | Third Party Liability ===== | Accident Benefits ===== | Collision ===== |
|-------------------------|---|--------------------------------------|-------------------------------|--------------------|
| | | Factor % ===== | Factor % ===== | Factor % ===== |
| Pleasure | Under 16,001 km 16,001-32,000 km Over 32,000 km | | | |
| Commute | Under 16,001 km 16,001-32,000 km Over 32,000 km | | | |
| Business | Under 16,001 km 16,001-32,000 km Over 32,000 km | | | |
| Farm | Under 16,001 km 16,001-32,000 km Over 32,000 km | | | |

APPENDIX D
TABLE 4-R
YEARS LICENSED -
DRIVER EXPERIENCE FACTORS
Page 1

Page 1

| | | |
|------|------|------|
| 1990 | 1991 | 1992 |
| 1993 | 1994 | 1995 |

Over 6 years

.....

Over 6 years

APPENDIX D
TABLE 4-R
YEARS LICENSED -
DRIVER EXPERIENCE FACTORS
Page 2

Page 2

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Over 6 years

1997 1998 1999 2000 2001 2002 2003 2004 2005 2006 2007 2008 2009
 2010 2011 2012 2013 2014 2015 2016 2017 2018 2019 2020 2021 2022

Over 6 years

APPENDIX D
TABLE 4-R
YEARS LICENSED -
DRIVER EXPERIENCE FACTORS
Page 3

[illegible][illegible]

Company Name: _____

APPENDIX D
TABLE 5-R
VEHICLE RATE GROUP FACTORS
Page 1

1. Collision

| Rate Group | Factor | % | Rate Group | Factor | % | Rate Group | Factor | % | Rate Group | Factor | % |
|---------------|--------|-----|---------------|--------|-----|---------------|--------|-----|---------------|--------|-----|
| ===== | ===== | === | ===== | ===== | === | ===== | ===== | === | ===== | ===== | === |
| 1 | | | 26 | | | 51 | | | 76 | | |
| 2 | | | 27 | | | 52 | | | 77 | | |
| 3 | | | 28 | | | 53 | | | 78 | | |
| 4 | | | 29 | | | 54 | | | 79 | | |
| 5 | | | 30 | | | 55 | | | 80 | | |
| 6 | | | 31 | | | 56 | | | 81 | | |
| 7 | | | 32 | | | 57 | | | 82 | | |
| 8 | | | 33 | | | 58 | | | 83 | | |
| 9 | | | 34 | | | 59 | | | 84 | | |
| 10 | | | 35 | | | 60 | | | 85 | | |
| 11 | | | 36 | | | 61 | | | 86 | | |
| 12 | | | 37 | | | 62 | | | 87 | | |
| 13 | | | 38 | | | 63 | | | 88 | | |
| 14 | | | 39 | | | 64 | | | 89 | | |
| 15 | | | 40 | | | 65 | | | 90 | | |
| 16 | | | 41 | | | 66 | | | 91 | | |
| 17 | | | 42 | | | 67 | | | 92 | | |
| 18 | | | 43 | | | 68 | | | 93 | | |
| 19 | | | 44 | | | 69 | | | 94 | | |
| 20 | | | 45 | | | 70 | | | 95 | | |
| 21 | | | 46 | | | 71 | | | 96 | | |
| 22 | | | 47 | | | 72 | | | 97 | | |
| 23 | | | 48 | | | 73 | | | 98 | | |
| 24 | | | 49 | | | 74 | | | 99 | | |
| 25 | | | 50 | | | 75 | | | 100 | | |

Company Name: _____

2. Comprehensive

| Rate Group | Factor | % | Rate Group | Factor | % | Rate Group | Factor | % | Rate Group | Factor | % |
|---------------|--------|-----|---------------|--------|-----|---------------|--------|-----|---------------|--------|-----|
| ===== | ===== | === | ===== | ===== | === | ===== | ===== | === | ===== | ===== | === |
| 1 | | | 26 | | | 51 | | | 76 | | |
| 2 | | | 27 | | | 52 | | | 77 | | |
| 3 | | | 28 | | | 53 | | | 78 | | |
| 4 | | | 29 | | | 54 | | | 79 | | |
| 5 | | | 30 | | | 55 | | | 80 | | |
| 6 | | | 31 | | | 56 | | | 81 | | |
| 7 | | | 32 | | | 57 | | | 82 | | |
| 8 | | | 33 | | | 58 | | | 83 | | |
| 9 | | | 34 | | | 59 | | | 84 | | |
| 10 | | | 35 | | | 60 | | | 85 | | |
| 11 | | | 36 | | | 61 | | | 86 | | |
| 12 | | | 37 | | | 62 | | | 87 | | |
| 13 | | | 38 | | | 63 | | | 88 | | |
| 14 | | | 39 | | | 64 | | | 89 | | |
| 15 | | | 40 | | | 65 | | | 90 | | |
| 16 | | | 41 | | | 66 | | | 91 | | |
| 17 | | | 42 | | | 67 | | | 92 | | |
| 18 | | | 43 | | | 68 | | | 93 | | |
| 19 | | | 44 | | | 69 | | | 94 | | |
| 20 | | | 45 | | | 70 | | | 95 | | |
| 21 | | | 46 | | | 71 | | | 96 | | |
| 22 | | | 47 | | | 72 | | | 97 | | |
| 23 | | | 48 | | | 73 | | | 98 | | |
| 24 | | | 49 | | | 74 | | | 99 | | |
| 25 | | | 50 | | | 75 | | | 100 | | |

Company Name: _____

APPENDIX D
TABLE 6-R
NUMBER OF VEHICLES FACTORS

| | Number of Vehicles ===== | Factor ===== | % ===== |
|--------------------------|-----------------------------------|-----------------|------------|
| 1. Third Party Liability | 1 2 or more | | |
| 2. Collision | 1 2 or more | | |

APPENDIX D
TABLE 7-R
ABSTINENCE FACTOR

| | Abstinence Status ===== | Factor ===== | % ===== |
|--------------------------|-------------------------------|-----------------|------------|
| 1. Third Party Liability | Non-abstainer Abstainer | | |
| 2. Accident Benefits | Non-abstainer Abstainer | | |
| 3. Collision | Non-abstainer Abstainer | | |

Company Name: _____

APPENDIX D
TABLE 8-R
COVERAGE DEDUCTIBLE FACTORS

1. Collision

| Deductible ===== | Factor ===== | % === | Maximum ===== | % === |
|---------------------|-----------------|----------|------------------|----------|
| \$100 | | | | |
| 250 | | | | |
| 500 | | | | |
| 1000 | | | | |
| 1500 | | | | |
| 2000 | | | | |
| 2500 | | | | |

2. Comprehensive

| Deductible ===== | Factor ===== | % === | Maximum ===== | % === |
|---------------------|-----------------|----------|------------------|----------|
| \$25 | | | | |
| 50 | | | | |
| 100 | | | | |
| 250 | | | | |
| 500 | | | | |
| 1000 | | | | |
| 1500 | | | | |
| 2000 | | | | |
| 2500 | | | | |

TOTAL PREMIUM COMPARISONS BY TERRITORY

1. For the purposes of preparing a "consumer shopping guide" insurers shall submit exhibits showing the total premium they would charge by territory for a set of 15 risk profiles. Each risk profile is to be completed for each of the 32 territory classes. (These 15 risk profiles may not be the same profiles used in following years and may not be the only risk profiles that the Board will request to be filed.)
2. Insurers are also requested to include the overall average percentage difference, above or below, between their general premium levels and the benchmark premiums.
3. The 15 risk profiles are described below:

- (a) The policy used for all 15 risk profiles contains the following coverages, endorsements, coverage limits and coverage deductibles:

Third Party Liability - \$1,000,000 coverage limit
Accident Benefits
Comprehensive - \$50 coverage deductible
Collision - \$250 coverage deductible
SEF 44 - \$1,000,000 coverage limit

- (b) The total premium for all 15 risk profiles includes the expense constant.
- (c) The following classes of risk exposure apply to all 15 risk profiles:

Vehicle Use: Pleasure

Annual Driving Distance: 0 to 16,000 km

Territory: All 32 territories

Abstinence: No

Conviction History: No chargeable convictions

Vehicle Claim History: No chargeable claims

Number of Vehicles: 1

- (d) The other classes of risk exposure for each risk profile are described below:

Risk Profile # 1

Make, Model and Model Year:

1989 Toyota Cressida - 4 door sedan (Rate Group 41)

Years Licensed (Driver Experience):

Principal Driver over 6 years
Secondary Driver over 6 years

Risk Profile # 2

Make, Model and Model Year:

1990 Buick Skylark Custom - 2 door coupe (Rate Group 41)

Years Licensed (Driver Experience):

Principal Driver 1 year up to and including 3 years
with driver training
No Secondary Driver

Risk Profile # 3

Make, Model and Model Year:

1989 Jeep Wagoneer - Grand Wagoneer (Rate Group 41)

Years Licensed (Driver Experience):

Principal Driver 1 year up to and including 3 years
without driver training
No Secondary Driver

Risk Profile # 4

Make, Model and Model Year:

1989 Toyota Cressida - 4 door sedan (Rate Group 41)

Years Licensed (Driver Experience):

Principal Driver over 6 years
Secondary Driver 1 year up to and including 3 years
without driver training

Risk Profile # 5

Make, Model and Model Year:

1989 Toyota Cressida - 4 door sedan (Rate Group 41)

Years Licensed (Driver Experience):

Principal Driver over 6 years

Secondary Driver 1 year up to and including 3 years
with driver training

Risk Profile # 6

Make, Model and Model Year:

1984 Pontiac 2000 - 3 door hatchback (Rate Group 19)

Years Licensed (Driver Experience):

Principal Driver over 6 years

Secondary Driver over 6 years

Risk Profile # 7

Make, Model and Model Year:

1985 Dodge Aries LE - 2 door (Rate Group 19)

Years Licensed (Driver Experience):

Principal Driver 1 year up to and including 3 years
with driver training

No Secondary Driver

Risk Profile # 8

Make, Model and Model Year:

1983 Mercury Capri - 4 cyl. (Rate Group 19)

Years Licensed (Driver Experience):

Principal Driver 1 year up to and including 3 years
without driver training

No Secondary Driver

Risk Profile # 9

Make, Model and Model Year:

1984 Pontiac 2000 - 3 door hatchback (Rate Group 19)

Years Licensed (Driver Experience):

Principal Driver over 6 years
Secondary Driver 1 year up to and including 3 years
without driver training

Risk Profile #10

Make, Model and Model Year:

1984 Pontiac 2000 - 3 door hatchback (Rate Group 19)

Years Licensed (Driver Experience):

Principal Driver over 6 years
Secondary Driver 1 year up to and including 3 years
with driver training

Risk Profile #11

Make, Model and Model Year:

1979 Mercury Cougar - 4 door (Rate Group 10)

Years Licensed (Driver Experience):

Principal Driver over 6 years
Secondary Driver over 6 years

Risk Profile #12

Make, Model and Model Year:

1981 Dodge Diplomat - 4 door (Rate Group 10)

Years Licensed (Driver Experience):

Principal Driver 1 year up to and including 3 years
with driver training
No Secondary Driver

Risk Profile #13

Make, Model and Model Year:

1981 Buick Skylark Ltd - 2 door (Rate Group 10)

Years Licensed (Driver Experience):

Principal Driver 1 year up to and including 3 years
without driver training
No Secondary Driver

Risk Profile #14

Make, Model and Model Year:

1979 Mercury Cougar - 4 door (Rate Group 10)

Years Licensed (Driver Experience):

Principal Driver over 6 years

Secondary Driver 1 year up to and including 3 years
without driver training

Risk Profile #15

Make, Model and Model Year:

1979 Mercury Cougar - 4 door (Rate Group 10)

Years Licensed (Driver Experience):

Principal Driver over 6 years

Secondary Driver 1 year up to and including 3 years
with driver training

4. Following is a format of the exhibit to be used by every insurer when filing the total premiums for these risk profiles. One page is to be submitted for each of the 32 territories in the Classification Plan. (Insurers should first reproduce this blank page.)
5. The instructions for submitting Total Premium Exhibits:
 - (a) The Company No. is the same company number used to submit information to the Ontario Superintendent of Insurance.
 - (b) Use only the rates that the insurer is permitted to use for new and renewal business as at June 1, 1989 pursuant to the Classification Plan and the Board-set rates and rate ranges in calculating total premiums.
 - (c) If the total premium is the benchmark premium, then enter a "B" beside the total premium for that risk profile.
 - (d) The total premium includes the expense constant.
 - (e) If the insurer does not presently write or intend to write business in a territory, then submit a page for that territory with N/A for each of the risk profiles.

- (f) If the insurer does not presently write or intend to write some of the 15 risk profiles within a territory, indicate with N/A for those certain risk profiles.
 - (g) All premiums should be annual premiums. If the insurer only issues 6 month policies, multiply the 6 month total premiums by 2.0.
6. On a separate page, indicate the overall average percentage difference, above or below, between the insurer's general premium levels and the benchmark premiums.
 7. The exhibits (32 pages) must be included with the insurer's Section 22 application. They are a required part of the filing material.

Ontario Automobile Insurance Board

Exhibit for Total Premiums by Territory for 15 Risk Profiles

COMPANY NAME:

COMPANY NO.

Territory:

| <u>Risk Profile</u> | <u>Total Premium</u> |
|---------------------|--------------------------|
| # 1 | |
| # 2 | |
| # 3 | |
| # 4 | |
| # 5 | |
| # 6 | |
| # 7 | |
| # 8 | |
| # 9 | |
| #10 | |
| #11 | |
| #12 | |
| #13 | |
| #14 | |
| #15 | |

